



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF HUMAN SERVICES  
LANSING



ISMAEL AHMED  
DIRECTOR

December 12, 2007

The Honorable Bill Hardiman, Chair  
Senate Appropriations Subcommittee on DHS  
Michigan State Senate  
State Capitol  
Lansing, Michigan 48933

The Honorable Dudley Spade  
House Appropriations Subcommittee on DHS  
Michigan House of Representatives  
Lansing, Michigan 48933

Dear Senator Hardiman and Representative Spade:

Section 286 of 2007 Public Act No.131, the Department of Human Service (DHS) budget bill, specifies that the department shall contract with a private company to conduct a study of ways to streamline the department's procurement procedures for durable goods and services, and that the contractor shall provide a report with recommendations by November 30, 2007.

The DHS was not able to meet the specified timeline and requests an extension to complete this task. The time it will take to clarify the scope of the work being requested, develop an invitation to bid, conduct bidding and award the contract will need to be factored into this process. In addition, the selected contractor will need time to conduct their review, formulate their recommendations and compile the report. The pre-selection processes, as well as the majority of the procurement procedures in effect in DHS, are in response to requirements established by the Department of Management and Budget, the State Budget Office, PA 622 of 2006, the Governor's office and the Civil Service Commission.

We understand that other state departments may have a similar section in their budget bills. If so, a combined centralized approach to this task may be more efficient and ultimately more cost effective than individual contracts and reviews, since the current rules and procedures govern the procurement actions of all state departments.

We respectfully request an extension until at least April 30, 2008 to comply with this boilerplate requirement. We also request clarification on the legislative intent, multi-departmental scope of this review and whether it must include the process to procure direct human services.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink that reads "Ismael Ahmed". The signature is written in a cursive style with a large initial 'I'.

Ismael Ahmed

- c: Senate and House Appropriations Subcommittees
- Senate and House Fiscal Agencies
- Senate and House Policy Offices
- State Budget Director